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FOREIGN SERVICE DESPATCH

Action Assigned to *ca*

FROM : AmEmbassy, Taipei

TO : THE DEPARTMENT OF STATE, WAS. 11, 1958

REF : Embassy Despatch No. 422

15 For Dept. Use Only	ACTION	DEPT.
	FE-4	RM/R-2/RC-8 P-1
REC'D	2/15	CIA-12 OSD-4 OCB-1
		OSIA-4 ARMY-4 NAVY-3

SUBJECT: Views of KMT Off. al on Inter-Yuan Controversy.

① ICA-1 to Bras. Shits for DLF 8/8/60-mkb

the Kuomintang
a long-standing affiliation with Vice President CH'EN Ch'eng.

His opinions on the current differences between the Executive Yuan and the other Yuans are accordingly of some interest though they add little to what is already known concerning the controversy.

appears to believe that the increasing obstreperousness of the Legislative and Control Yuans is neither symptomatic of a trend toward irresponsible Legislative tyranny, nor evidence of maturing constitutionalism. It is primarily, in his view, the natural result of the weaknesses of Prime Minister O.K. YUI. Yui (says) is too complaisant in his dealings with the other Yuans. When faced with criticism or pressure on an issue in the Legislative Yuan, his tendency is at least to agree to "take the matter under advisement." Of course, when he takes the matter up with the other members of the Executive Yuan, Yui finds opinion there against yielding on the issue in question. He then has to go back to the Legislative Yuan (or the Control Yuan, as the case may be) and take a hard position, which causes ill feeling. thinks the legislators themselves appreciate above all strength on the part of a Premier. He referred to one incident in the Premiership of Ch'en Ch'eng by way of illustration: One of the legislators had questioned the constitutionality of some action of the Executive Yuan. Ch'en, answering the interpellation, marched up to the rostrum, and said "If there has been any unconstitutional act during my administration, it was the extension of the terms of the members of this Yuan!" Ch'en strode away from the rostrum amid enthusiastic applause by the legislators. commented that during Ch'en's tenure, his main problem with legislators had been trying to get them to ask questions, in order to avoid the appearance of a "rubber stamp".

DLO:storn:elc

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With regard to the specific issue of the impeachment of Prime Minister Yui, [redacted] felt there had been a lack of coordination on the part of the Executive Yuan (again by implication due to the lack of a strong hand at the helm). He [redacted] had taken a number of soundings on the possibility of a compromise at various points in the development of the controversy, and felt there were at least two occasions when a compromise would have been possible. The first occasion was before the impeachment, shortly after the Control Yuan demanded access to the records of the Central Bank. The Control Yuan was at that time in a mood to accept some face-saving compromise. This mood was destroyed by the abrupt rebuff of the Yuan's demand, received just at this time. The second occasion was in early January, after impeachment had been voted, but before the charges had been referred to the Committee on Discipline of Public Functionaries. According to [redacted] the Control Yuan's "Committee of Eleven" was again at this time amenable to compromise, but the atmosphere was again spoiled by the appearance in the Central Daily News of an editorial highly prejudicial to the position and prerogatives of the Control Yuan. [redacted] said the Control Yuan felt that the point of view advanced in this editorial (reportedly that of T'AO Hsi-sheng, National Policy Adviser, Member of the Standing Committee of the Central Committee of the KMT), if it were to become official doctrine, would eliminate any role for the Control Yuan in actual operations of the RC.

COMMENT: This account by [redacted] of his "soundings" of the Control Yuan on the possibility of a compromise may explain the reports received by the Embassy from other sources to the effect that Ch'en Ch'eng had taken a hand in attempting to resolve the inter-Yuan dispute (See Embassy's Despatch 381), inasmuch as [redacted] is known to be "Ch'en's man". In fact, it is likely [redacted] was acting at least with Ch'en's O.K. in his approaches to the Yuan.

As to the future of the controversy [redacted] agrees with many other observers that the worst is over. He thinks the verdict of the Committee on Discipline of Public Functionaries will be mild, and that Prime Minister Yui will resign following a decent interval. He does not believe that a serious or lasting breach of Party discipline will result from the present controversy, if adequate executive leadership is provided. [redacted] was unable or unwilling to guess who the next Premier will be. Although Ch'en Ch'eng would, of course, make the best Premier, he felt it would be too much of a sacrifice to ask of Ch'en Ch'eng to "step down" to resume the premiership. He thought Chou Chih-jou would eventually make a strong Premier; however, Chou has been Governor too short a time to be available for the higher office now. HUANG Shao-ku, now

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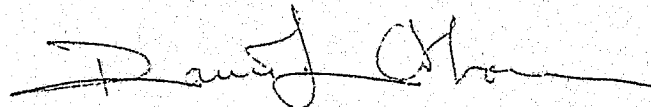
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Vice President of the Executive Yuan, [redacted] considered too "affable"---too much like O.K. Yui in this respect to make a good Premier. George YEH Kuo thought was on excellent terms with the Legislative Yuan and stood in well also with the Control Yuan, but Kuo commented there was a difference between being liked by the legislators and being able to control them.

For the Charge d'Affaires, a.i.:



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